

Health Benefits Fund
For the period ended March 31, 2005
(amounts expressed in thousands)

		FY2005				
	FY2004 Actual	Adopted Budget	Current Budget	YTD	Controller's Projection	F & A Projection
Operating Revenues						
City Medical Plans	\$ 171,051	\$ 213,699	\$ 213,699	\$ 151,392	\$ 202,681	\$ 202,681
City Dental Plans	7,707	8,381	8,381	5,825	7,895	7,895
City Life Insurance Plans	5,486	5,456	5,456	3,927	5,459	5,459
Dependent Care Reimbursement	143	160	160	107	160	160
Operating Revenues	<u>184,387</u>	<u>227,695</u>	<u>227,696</u>	<u>161,251</u>	<u>216,195</u>	<u>216,195</u>
Operating Expenses						
City Medical Plan Claims	169,205	210,843	210,843	145,895	199,574	199,574
City Dental Plan Claims	7,707	8,381	8,381	5,824	7,895	7,895
City Life Insurance Plans	5,383	5,456	5,456	3,924	5,459	5,459
Administrative Costs	2,649	3,225	3,296	1,814	3,004	3,004
Dependent Care	143	160	160	107	160	160
Operating Expenses	<u>185,087</u>	<u>228,065</u>	<u>228,136</u>	<u>157,564</u>	<u>216,092</u>	<u>216,092</u>
Operating Income (Loss)	(700)	(370)	(440)	3,687	103	103
Nonoperating Revenues (Expenses)						
Interest Income	210	300	300	342	345	345
Prior Year Expense Recovery	222	50	50	1	5	5
Nonoperating Revenues (Expenses)	<u>432</u>	<u>350</u>	<u>350</u>	<u>343</u>	<u>350</u>	<u>350</u>
Pension Bond Proceeds	0	0	0	71	71	71
Net Income (Loss)	(268)	(20)	(90)	4,101	524	524
Net Assets, Beginning of Year	<u>1,036</u>	<u>768</u>	<u>768</u>	<u>768</u>	<u>768</u>	<u>768</u>
Net Assets, End of Year	<u>\$ 768</u>	<u>\$ 748</u>	<u>\$ 678</u>	<u>\$ 4,869</u>	<u>\$ 1,292</u>	<u>\$ 1,292</u>

About the Fund:

The Health Benefits Fund is an Internal Service Fund administered by the Human Resources Department. The Fund was established in 1984 to centralize the financial transactions for the City's benefit plans. In May 1994, the entire health benefits delivery system was revamped with a new system that employs aggressive managed care features. HMOBlueTexas (HMOBTX) provides Health Maintenance Organization (HMO) and Point of Service (POS) plan, with limits on annual increases. These plans are supported by contributions from the City and participants. The Fund also includes two dental plans, a dental/health maintenance organization (DHMO) and a dental indemnity plan. Both plans are supported exclusively by participants.